United Nations A/54/171 – E/1999/111

General Assembly
Economic and Social Council

Distr.: General
14 July 1999

Original: English

General Assembly
Fifty-fourth session
Item 100 of the preliminary list*
Sustainable development and economic cooperation

Economic and Social Council
Substantive session of 1999
5–30 July 1999
Agenda item 2
The role of employment and work in poverty eradication: the empowerment and advancement of women

Letter dated 8 July 1999 from the Permanent Representative of Egypt to the United Nations addressed to the Secretary-General

It gives me pleasure to enclose a copy of the paper entitled "A Comprehensive Employment Strategy" (see annex), presented by the Group of Fifteen at the eighty-seventh session of the International Labour Conference, held at Geneva from 1 to 17 June 1999.

In the light of Egypt's role as current chairman of the Group, I would like to ask that the present letter and its annex be circulated as a document of the General Assembly, under item 100 of the preliminary list, and of the Economic and Social Council, under agenda item 2.

(Signed) Ahmed Aboul **Gheit**
Ambassador
Permanent Representative

* A/54/50.

99-20809 (E) 190799

Annex

[Original: Arabic, English, French and Spanish]

Paper entitled "A Comprehensive Employment Strategy" presented by the Group of Fifteen at the eighty-seventh session of the International Labour Conference, held at Geneva from 1 to 17 June 1999

Background

1. The IX Summit of the Group of Fifteen (G-15) held in Montego Bay, Jamaica, on 10-12 February 1999 placed special emphasis on the work of the International Labour Organization (ILO), and the central role it should play in launching a comprehensive employment strategy.

2. Paragraph 14 of the Joint Communiqué of the IX Summit of the G-15 notes with satisfaction "that the ILO is undertaking an in-depth analysis of the negative social repercussions of the financial crisis with a view to formulating the necessary responses". It calls upon the ILO "to launch a comprehensive employment strategy during the ILO Governing Body and Conference at ministerial level later this year". The G-15 calls specific attention to the tripartite structure of the ILO, and expresses determination to "collaborate with all social partners," to achieve this objective. It emphasizes that "an employment strategy, including the right to work should strengthen our respect for internationally recognized Fundamental ILO Conventions on workers rights."

3. In accordance with the mandate of the IX Summit, a Statement on A Comprehensive Employment Strategy was delivered on behalf of the G-15 by Ambassador Mounir Zahran, Personal Representative of the President of the Arab Republic of Egypt to the G-15, to the Committee on Employment and Social Policy at the 274th Session of the ILO Governing Body, on 16 March 1999. This paper elaborates upon and adds to the policies and measures identified in the Statement.

Unemployment is a global issue

4. Unemployment threatens the socio-economic fabric of society and is of central policy concern to both developing and developed countries. Unemployment is not only a waste of economic resources, but leads to social degradation, to ill-health and indeed to social unrest. It also lowers self-esteem, motivation and creates insecurity, among other negative repercussions.

5. The current international financial crisis has created serious social instability and increased unemployment and poverty. It has underscored the fact that unemployment is a global issue which must be addressed by the international community. It is for these reasons that the G-15 believes that creating more and better jobs must be a priority issue on the international economic agenda.

The role of the ILO

6. The G-15 initiative is fully in line with the mandate and policy objectives of the ILO. Indeed, employment creation figures among the four key priorities formulated by the Director General Mr. Juan Somavia. The debate that has taken place during the Governing Body in March 1999 has clearly indicated that a consensus exists within the Organization on this issue. Indeed, a number of "InFocus Programmes" in this area have already been included in the Programme and Budget of the ILO for the years 2000/2001.

7. Approaches to employment generation have to be country-specific. In this regard, the G-15 supports the work currently being carried out by the ILO in assisting member states to prepare their respective country employment policy reviews and objectives. This approach should be intensified and broadened, in order to produce tangible and practical results.

8. The G-15 believes that the ILO has to take the lead in formulating and implementing a Comprehensive Employment Strategy for several reasons:

a) ILO has a specific mandate to address among others, the issue of employment without being guided by the profit motive;

b) the tripartite nature of the Organisation enables it to harness the views of all three social partners;

c) employment creation for all workers has always been one of the major goals of the ILO. Indeed, the Declaration of Philadelphia specifically refers to "the solemn obligation of the ILO to further among nations of the world programmes which will achieve.....full employment and the raising of living standards." ; and

d) the ILO has the capacity to draw on the experiences it has accumulated over decades of research and hard work in formulating an appropriate global employment strategy.

9. In formulating a Comprehensive Employment Strategy, the ILO will need to emphasize the role of cooperation between states, and between employers, workers and governments within nations. A genuine commitment by the international community is essential for the success of such an approach.

From crisis response to a Comprehensive Employment Strategy

10. In assisting the affected countries to cope with the immediate consequences of the financial crisis, the ILO should broaden and intensify its efforts in:

i) cooperating with them, in this regard, to design economic policies for the return to stable growth conducive to social development taking into consideration the challenges and opportunities posed by globalization.

ii) critically analysing the social and economic impacts of the crisis on the informal sector of the economies of the affected countries. This necessity derives from the fact that the most vulnerable sections of the population, namely, women, the aged and the very poor, derive their sustenance from the informal sector of both rural and urban settlements; and

iii) undertaking further studies on the impact of the crisis on the various programmes of poverty alleviation in the affected countries. This is with a view to making recommendations on the resuscitation and sustainability of poverty alleviation programmes, as well as the formulation of new programmes, within the existing public financial constraints.

iv) taking into account the complementary elements of job creation and employment quality in future studies.

11. While an important task, the focus of the ILO should however not only be to address the immediate social consequences of the current financial crisis, but also to formulate a Comprehensive Employment Strategy for the longer term with the objective of stimulating employment creation in all developing countries.

12. The following measures, which are widely accepted, should be key elements of such a strategy to be implemented by the ILO in cooperation with the UN, specialized agencies and other international organizations as appropriate:

i) full implementation of the Copenhagen World Summit for Social Development Declaration and Programme of Action , with special emphasis on the needs of the developing countries with respect to employment, education, vocational and technical training, and mobilization of resources for social development as a whole;

ii) full implementation of the consensus agreements on development that emerged from the principal United Nations Conferences of the 1990s;

iii) donor countries are invited to attain the internationally agreed target levels of Official Development Assistance by providing additional financial resources;

iv) adherence to the 20/20 objective between interested partners to ensure funds for social development;

v) the mobilization of resources by the ILO, from both budgetary and extra-budgetary resources, for the implementation of the elements of the Copenhagen Programme of Action which fall within its mandate. To this end, the ILO should continue to coordinate its efforts with the Bretton Woods Institutions, UNDP and other relevant organizations;

vi) within the context of ILO cooperation with the Bretton Woods Institutions, it is essential to stress the social dimension in structural adjustment programmes, as well as the importance of alleviating the burden of foreign debt, as an essential measure to enable developing countries to meet the social and economic requirements of development;

vii) the adoption of strategies for the promotion of self-employment and the development of entrepreneurship in developing countries;

viii) deliberate national and international support for the creation and sustainability of poverty alleviation programmes;

ix) the adoption of national and international measures for strengthening micro, small and medium-sized enterprises which provide the bulk of the employment in the economies of developing countries and provide a practical vehicle to develop their informal sectors;

x) in recognition of the social dimension of economic development, policy makers should strike the optimum balance between economic and social policies and objectives. To this end, productivity, efficiency, wages and incomes as well as employment generation and sustainability should be tailored to meet equitable social objectives in the development process;

xi) to ensure social equity in the development process in developing countries, employment-intensive investment programmes targeted at the unemployed and the underemployed should be encouraged;

xii) the organic link between economic and employment policies makes it imperative to enhance the capacities of developing countries in evaluating and monitoring the employment implications of overall economic policies. This should be complimented with an early-warning system to detect and pre-empt trends that could precipitate large-scale job losses;

xiii) coordinated inter-agency support for labour exchanges, job training and retraining centres and job mobility assistance since widening access to skills and knowledge greatly enhances both social integration and economic growth.

xiv) in-depth analysis on the feasibility of the introduction of social safety nets including unemployment insurance schemes, particularly in the formal sectors of the economies of developing countries, within the constraints of available resources, with a view to alleviating the social impacts of unemployment; and

xv) without compromising the profit motive behind domestic and foreign investment, the comprehensive employment strategy should identify policy options supportive of profit and employment;

xvi) special emphasis should be put on gender equity and social dialogue.

13. In view of the above, the G-15, as noted in the Report of the Committee on Employment and Social Policy, GB 274/12, adopted by the 274th Session of the Governing Body in March 1999, reaffirms its proposal that the ILO, within its mandate, should launch a "Comprehensive Employment Strategy." Following the 87th Session of the International Labour Conference, it is requested that the Office prepare the necessary studies and documentation, as well as to schedule this issue on the agenda of future sessions of the Governing Body and the International Labour Conference. This important issue should figure prominently among the issues discussed at the International Consultation concerning the follow-up to the World Summit for Social Development scheduled in November 1999, ongoing discussions on the World Employment Forum and other relevant meetings, as appropriate.